

Decision No. 42250

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of	)	
PEERLESS STAGES, INCORPORATED,	:	
a corporation, and BANK OF AMERICA	)	
NATIONAL TRUST & SAVINGS ASSOCIATION,	:	Application
a national banking association, for	)	No. 29819
authority to execute a promissory	:	
note and chattel mortgage.	)	
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O P I N I O N

In this application, Peerless Stages, Incorporated, asks permission to issue to Bank of America National Trust and Savings Association its promissory note in the principal amount of \$82,281.60, and to execute a chattel mortgage to secure the payment of the note.

Applicant reports that it found it necessary to acquire in July, 1948, four 41-passenger 1948 G.M.C. Yellow Coaches at a cost of \$88,000. To pay in part for the coaches it borrowed \$78,000 from Bank of America National Trust and Savings Association. Applicant now desires to refund this indebtedness through the issue of a three-year installment note. The new note will be for the amount of \$82,281.60, which includes interest at 3-1/2% on the principal sum of \$78,000. The \$82,281.60 note is payable in monthly installments of \$2,285.60, the first installment being due January 1, 1949.

To secure the payment of the note, Applicant asks permission to execute a chattel mortgage which will be a lien on

the four new G.M.C. Yellow coaches costing \$88,000, and on four 1947 Aerocoach buses the cost of which was approximately \$62,272. A copy of the note and a copy of the chattel mortgage are on file in this application as Exhibit "A" and Exhibit "B", respectively.

O R D E R

The Commission having considered this application and it being of the opinion that a hearing thereon is not necessary, that the money, property or labor to be procured or paid for by the issue of the note herein authorized is reasonably required by Peerless Stages, Incorporated, for the purposes herein stated, that such purposes, other than the payment of interest, are not, in whole or in part, reasonably chargeable to operating expenses or to income, and that this application should be granted, as herein provided; therefore,

IT IS HEREBY ORDERED as follows:

1. Peerless Stages, Incorporated may, after the effective date hereof and on or before December 31, 1948, issue for the purpose of refunding the indebtedness referred to in the foregoing opinion, its promissory note in the principal sum of \$82,281.60, payable in monthly installments of \$2,285.60 beginning January 1, 1949, and execute a chattel mortgage to secure the payment of said note, said note and said chattel mortgage to be in, or substantially in, the form of the note and chattel mortgage on file in this application as Exhibit "A" and

Exhibit "B", respectively.

2. Peerless Stages, Incorporated shall, within thirty (30) days after the issue of said note and the execution of said chattel mortgage, file with the Commission a true and correct copy of said note and of said chattel mortgage.

3. The authority herein granted will become effective when Peerless Stages, Incorporated, has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is eighty-three (\$83.00) dollars.

Dated at San Francisco, California, this 23<sup>rd</sup> day of November, 1948.

*R. B. Johnson*  
*James Lawrence*  
*Harold P. Hills*  
*Samuel Patten*

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Commissioners

